

July 23, 2007

Mr. Andrew Grunwald
Lexington Fayette Urban County Government
Division of Engineering
101 East Vine St., 4th Floor
Lexington, KY 40507

**RE: EPA Review Comments on
Final Environmental Impact Statement (FEIS)
Newtown Pike Extension
CEQ No. 20070259**

Dear Mr. Grunwald:

The U.S. Environmental Protection Agency (U.S. EPA) Region 4 reviewed the subject Final Environmental Impact Statement (FEIS) pursuant to Section 309 of the Clean Air Act, and Section 102 (2)(C) of the National Environmental Policy Act (NEPA). Thank you for your comprehensive responses to EPA's comments on the DEIS. The purpose of this letter is to provide you with EPA's comments on the FEIS.

The FEIS assesses the potential environmental impacts of the no-build alternative, mass transit, transportation system management and build alternatives for the Newtown Pike Extension. The FEIS states that Build Alternative 1 is the preferred alignment.

Based on EPA's review of the FEIS, environmental concerns exist regarding this project, and will need to be addressed as the project progresses. Specifically, floodplain impacts, noise, hazardous waste, and community impacts resulting from bisecting a low-income neighborhood are areas that need to be addressed. Remediation of contaminated soil, noise mitigation and EJ mitigation are particular concerns.

The FEIS outlines plans for addressing contaminated soils with the development of a Corrective Action Plan. The project will also require a Section 404 Permit from the USACE, and a Section 401 Water Quality Certification from the Kentucky Division of Water. In addition, the proposed project may lead to additional development, and may result in significant cumulative impacts. The Community Land Trust is a measure to protect current residents from the anticipated increase in property values.

The FEIS discusses the implications of increased noise and community bisection impacts on environmental justice (EJ) populations resulting from the project. EPA appreciates the inclusion of an EJ mitigation plan that recommends all new infrastructure. This includes a

redeveloped neighborhood park with expanded facilities and activities; a wall to reduce rail noise in the planned Southend Park Urban Village Area (required due to noise levels that exceed HUD guidelines); mixed-income housing and units with a minimum low-income requirement; and redevelopment of the existing Nathaniel United Methodist Mission and support facilities. The plan also includes mixed-use development, including retail, office and community facilities.

Noise levels should be monitored after construction, to determine the effectiveness of the mitigation and to determine whether further mitigation is needed. We appreciate your consideration of low noise asphalt components as part of the roadway design.

The FEIS addressed our socioeconomic comments regarding affordable housing availability, community cohesion and connection with social structures, and shifting existing neighborhood demographics due to new developments and increased land values. The FEIS also includes a plan that will enable the majority of the affected community to remain and benefit from the proposed mitigation. Per this plan, the cost of land will be eliminated in the housing purchase price for eligible buyers. Housing will be available to residents displaced by the roadway or the urban village, as well as for previous residents that moved away, and the eligible residents of the greater Lexington-Fayette County, respectively.

EPA commends KDOT and FHWA efforts to engage the affected communities in project planning, mitigate EJ impacts and ensure that communities have the opportunity to remain within the project area. EPA recommends that the proposed mitigation measures be documented in the Record of Decision. We also recommend that the project sponsors, the Community Land Trust and affiliated organizations continue to work with residents to ensure that they will be eligible for the new housing.

Thank you for the opportunity to comment on this project. If we may be of further assistance, please contact me or Ramona McConney of my staff at (404) 562-9615.

Sincerely,

Heinz J. Mueller, Chief
NEPA Program Office

cc: Jose Sepulveda, FHWA
David M. Waldner, KTC